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ABSTRACT

During the farm crisis of the 1980s, many midwestern farm families suffered financial distress, but by 1989 an uneven financial recovery was under way. This report summarizes data collected from 331 Michigan farm operators (a 33% response rate) and 319 spouses (a 31% response rate) as part of a large survey conducted in 12 North Central states. The purpose of the survey was to identify farm families' adaptation pattern, information and educational needs, and opinions on rural development. Farm operators had an average age of 52.7 years, and most respondents had attained at least a high school diploma. In 1988, 9% of respondents had negative net family income, while 56% had family incomes under $30,000. Average farm size was 248 acres. Most respondents believed that, over the last 5 years, local services, facilities, and quality of life factors had stayed about the same; 39% saw improvement in adult education, but 22% saw declines in quality of schools. About 70% believed that financial conditions for farmers had gotten worse, and 46% thought that conditions would continue to deteriorate. Most farmers responded to hard times by postponing major purchases or using savings for living expenses; 28% decreased savings for their children's education. About 40% of farmers and spouses worked off the farm; 11% had participated in vocational education or retraining, but most thought it was unhelpful. Highly rated information and training needs were concerned with using new technologies and appropriate conservation techniques and reducing costs through low-input farming. Spouses were highly involved in farm operations and decisionmaking, and experienced considerable farm- and work-related stress. This report contains 16 data tables. (SV)

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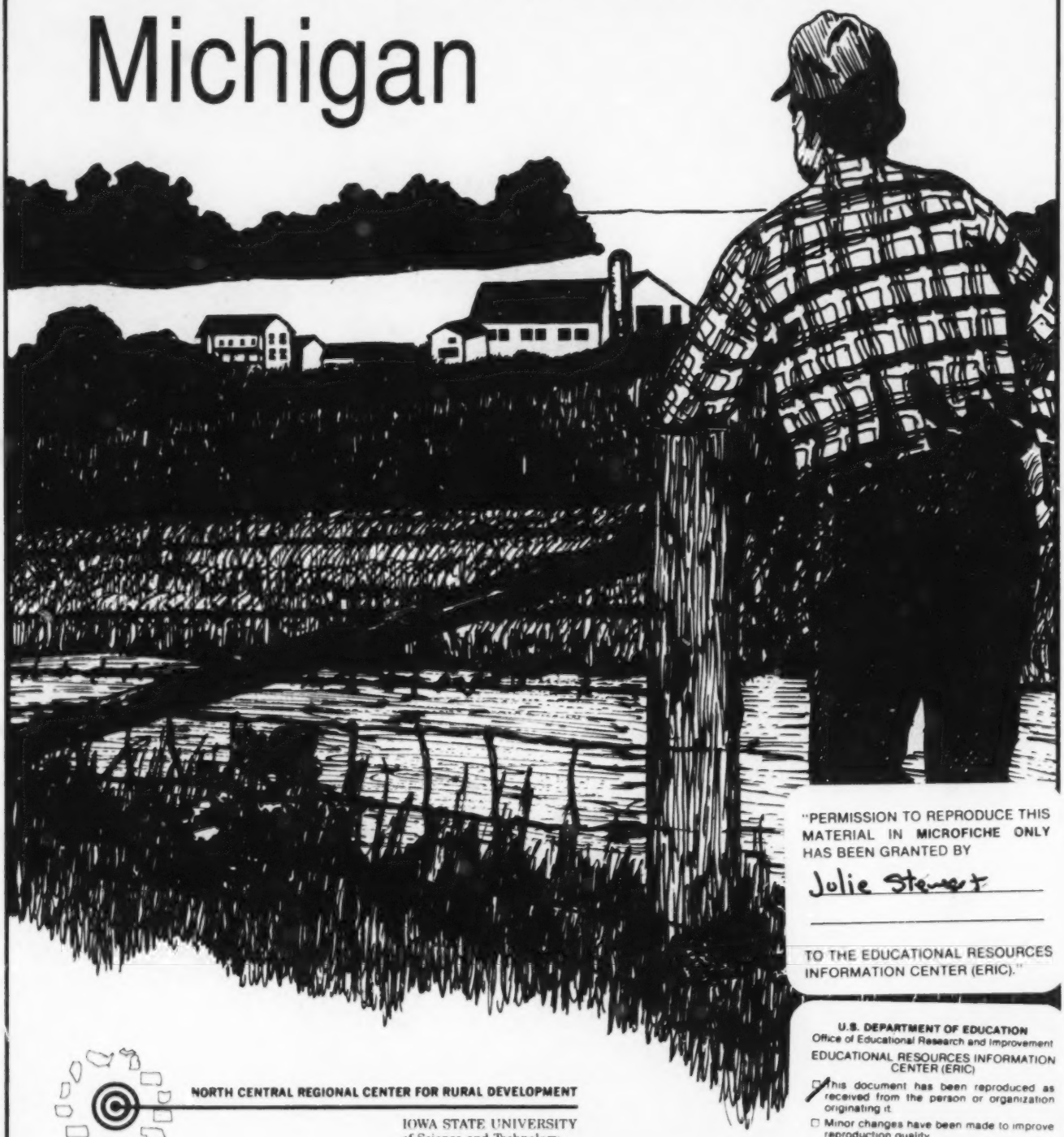
Michigan



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Farm Family Adaptations to Severe Economic Distress: Michigan

Results of the 1989 Regional Farm Survey

Colletta H. Moser and Raymond D. Vlasin
with assistance from Suli K. Agushi

August 1990

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Preface

The 1980s brought much change to rural America. Profound changes occurred in farming. As new technology was adopted, farm numbers continued to decline and many farm families found themselves struggling against low commodity prices. In addition, financial distress gripped many farm families. As interest rates soared, farm assets declined and farm incomes plummeted. The farm crisis during the 1980s was undoubtedly one of the darkest moments in the history of the Midwest.

However, as the 1980s drew to a close, many farm families' financial positions improved and much of rural America experienced a recovery. As a result of the differential impact of the farm crisis and the uneven financial recovery, this study of farm families was undertaken as a way to assess the socioeconomic status of farm families in the Midwest.

Financial support for the project was provided by the North Central Regional Center for Rural Development as part of the regional research project NC-184. Cooperating in the study were the land-grant universities and the Agricultural Statistics Services in each of the North Central states. The data collection was conducted through a cooperative agreement between Iowa State University and the Iowa Department of Agriculture and Land Stewardship, Agricultural Statistics Service. The primary objective of the study was to assess the socioeconomic conditions of farm families in the region and provide an overview of needed research and extension activities to assist farm families.

The authors wish to acknowledge the valuable technical assistance provided by Julie Stewart and Kristi Hetland of the North Central Regional Center for Rural Development. Jacqueline Fellows, department of sociology, Iowa State University, provided much assistance in the data management and analysis.

Results of the 1989 Regional Farm Survey: Michigan

Colletta H. Moser and Raymond D. Vlasin
with assistance from
Ms. Suli K. Agushi

This report summarizes data collected from a sample of Michigan farm families as part of a larger study conducted in the 12 North Central states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio, North Dakota, South Dakota and Wisconsin. This survey was conducted by Michigan State University in cooperation with the Michigan Agricultural Statistics Service, with funding from the North Central Regional Center for Rural Development.

The purposes of the survey were to:

- Identify what adjustments farm families made during the 1980s in response to the farm crisis.
- Identify information and educational needs of farm families.
- Assess farm families' opinions about several important agricultural and rural development issues.

Methodology

In June 1989, a statewide random sample of 1,023 farm operators and spouses was contacted. A packet of two questionnaires was sent: one for the farm operator and the other for the spouse. One set of questions was answered by both operator and spouse; the other questions were answered only by the operator or only by the spouse. Response was encouraged by a second mailing of the questionnaire to all nonrespondents and then by a brief telephone call to a small sample of nonrespondents.

There were 331 operator surveys returned for a response rate of 33 percent, and 319 spouse surveys returned for a response rate of 31 percent. Of the total, 220 were matched pairs of operator and spouse questionnaires. These matched pairs represented a response rate of 21 percent.

Colletta H. Moser is a professor in the department of agricultural economics; Raymond D. Vlasin is a professor in the department of resource development; Suli K. Agushi is a research graduate assistant in the department of resource development. This research was a contributing project to Regional Research Project NC-184 titled, *Rural Development Strategies to Mediate Farm Crisis Impacts on Families and Communities*, and was supported in part by the North Central Regional Center for Rural Development. Financial support was also received from the M.S.U. Agricultural Experiment Station and the cooperating departments. The authors wish to thank Patricia Neumann, department of agricultural economics, and Sarah West, department of resource development, for their assistance. Any errors remain the responsibility of the authors.

Some of the relatively high nonresponse was due to the inability to contact respondents because they had moved or were no longer farming. This report presents the major findings from this mail survey on the status of farm families in Michigan.

Results

The average age of the operators (52.7 years) was slightly older than that reported by the census (Table 1). Most of the respondents had completed at least 12 years of formal education. The average net family income exceeded $20,000, with 55 percent of the respondents indicating an income in the range of $20,000 to $29,999 or more. The respondents' average income level was higher than the average $10,745 net family income reported for Michigan farms in 1988[1].

Almost 9 percent of the respondents reported experiencing a loss of family income in 1988. An additional 13 percent indicated their net family income was less than $10,000. By contrast, census data indicated that in 1987, more than 50 percent of the farms in Michigan experienced net losses in income[2].

Farm size reported by the respondents was also different than that reported by the Michigan State 1987 Census of Agriculture (Table 2). The average farm size for survey respondents (248 acres) was larger than the average reported by the census (202 acres). Farms in the one to nine acres class were under-represented, while the percentage who owned a farm of 180 acres or more was larger within the sample than for the census average.

The gross farm sales reported by respondents were higher than gross farm sales reported for Michigan farmers by the 1987 Census of Agriculture. Some 66 percent of the respondents reported gross sales of more than $10,000 in 1988. In contrast, the Census reports that 47 percent of the Michigan farms had gross sales of more than $10,000 in 1987. The inclusion of fewer small farms in our sample likely influenced the results concerning gross farm sales and net losses.

Community and Economic Conditions

Respondents were asked to evaluate local services, facilities and economic conditions as to whether they had improved, gotten worse or stayed the same over the last five years (1984 to 1989). Their evaluation rank, ordered by the "improved" column, is given in Table 3.

The respondents clearly believed shopping conditions had improved (65.4 percent). Approximately one-fourth to one-third of the respondents also thought adult education, banking, health care, entertainment, and police and fire protection had improved.

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[1] State Financial Summary 1988. Agricultural Economics Research Service. *Economic Indicator of the Farm Sector.*

[2] Some of the resulting differences are probably due to the more limited definition of income used in the Census of Agriculture.

Child care and quality of schools were seen as having improved the least. Compared to the rankings of the other services cited above, quality of schools had the largest percentage of respondents saying this service had become worse.

Most respondents believed that economic conditions had become worse in the past five years, especially in terms of farming. For example, about 70 percent reported that the current financial condition of farmers had become worse and more than one-half reported the same was true for agribusiness firms in their area. While less than one-half (39.1 percent) indicated their own farm's financial condition had become worse, this percentage was still more than twice that of those who said their farm's financial condition had improved. Even in terms of nonfarm specific economic measures such as job opportunities and the financial conditions of the lenders, more respondents believed that conditions had become worse rather than better.

Quality of Life

Closely related to questions about services and economic conditions were questions about the quality of life in their community (Table 4). These responses are not matched by operators and spouses, but are the responses for all operators who answered these questions, and for all spouses who answered these questions.

There was a tendency for both the operators and the spouses to think that conditions had remained the same during the past five years--reported for six of the nine characteristics considered. Responses concerning changes in family finance, however, were about evenly distributed among "become better," "remained the same" and "become worse."

The somewhat more optimistic assessment of the respondents financial developments in Table 4 relative to Table 3 may be related to the focus on farming finances exclusively in Table 3. Moreover, when asked about the respondents' satisfaction with farming in Table 4, while a slight majority said their satisfaction remained the same, more than twice the percentage said they were less satisfied rather than more satisfied.

Predictions for the future of farms were more pessimistic. The dominant theme was that the economic conditions for farmers would become worse in the next five years (46 percent of the operators and 43.7 percent of the spouses). Respondents were asked whether there had been a change in the likelihood that they would continue in farming for at least the next five years. Although the majority did not see a change in the likelihood of continuing to farm, of those who did, more than twice the percentage said that this likelihood had become worse rather than better.

Spouses typically used less favorable options when describing their overall conditions. For example, the percentage of the spouses saying that their conditions had become better was less than the percentage of the operators expressing that view, and the percentage of the spouses saying that conditions had become worse was greater than that for the operators in six out of nine characteristics considered.

Farm Family Adjustments

Operators were asked whether the family made various adjustments because of financial need in the past five years. Some 17 different adjustments were identified for the operators to consider in giving their response. The intent of the question was to determine whether and how farm families may have augmented their income, reduced costs or postponed expenditures--three strategies in adjusting to financial need. Table 5 shows farm family adjustments during the period 1985 to 1989 ranked by the frequency with which they were reported.

Clearly, farm families used each of the three strategies in coping with financial need. In the expenditure area, postponing major household purchases was the most frequently reported adjustment, with 55 percent of the operators reporting this action. Some farm families also postponed medical and dental care to save money, purchased more items on credit, and in some cases, fell behind in paying bills. These tactics, however, were not used for the majority of the farm families' needs. Postponing children's education was the least used of any of the adjustments reported, with 94 percent of the operators indicating they had not used this approach.

Augmenting income through off-farm employment, use of savings and other means was common. Some 53 percent of the operators reported their family used savings to meet living expenses. In addition, 42 percent of the operators and 36 percent of the spouses had taken off-farm employment to augment family income. Less frequent, but important, were such actions as the selling of possessions, cashing in insurance, and borrowing from relatives and friends; though three-fourths of the farm families did not make use of these adjustments.

Reducing farm family expenditures also was a frequently used adjustment for coping with financial need. Some 40 percent or more of operators reported cutting back on charitable contributions, reducing household utility use, changing food shopping and eating habits, and changing transportation patterns to save money. More than one-fourth decreased funds saved for their children's education. Approximately one-sixth let life insurance lapse, or canceled or reduced medical insurance coverage. The latter items were not used by the majority of the farm families in coping with financial need.

In summary then, while mixed strategies were used by farm families in the financial adjustment process, the dominant tactics were to postpone household purchases and to take off-farm employment.

As shown in Table 5, many farm families were involved in off-farm employment--by the operator, the spouse or both. Almost 42 percent of the operators and 36 percent of the spouses took off-farm employment in the past five years in order to meet family financial needs.

An additional question was asked about the off-farm employment of the operators and the spouses in 1988. This question made no reference to actions taken to meet financial needs. The responses to this question indicate a higher percentage of the operators and spouses

engaged in off-farm employment. Probably a significant percentage of the operators and spouses had already taken off-farm employment prior to the 5 year survey period.

In 1988, of the 266 operators who answered this set of questions, 52 percent reported off-farm employment by the operator and 49 percent reported off-farm employment by the spouse (Table 6). Not supported by the data is a commonly held notion that "while many farmers work off-farm, they are primarily part-time workers." The data from Michigan respondents indicate that only 17 to 18 percent of the operators who worked off-farm worked part-time off the farm (82-83 percent were fully employed off the farm). Likewise, only 36 to 44 percent of the spouses who worked off-farm were part-time employed off the farm (56 to 64 percent were full-time employed off the farm).[3]

For operators who worked off the farm in 1988, more than 80 percent worked 40 hours or more per week. Of that 80 percent, some 52 percent worked 40 hours per week with an additional 30 percent working beyond 40 hours (Appendix Table A.1). For spouses who worked off the farm in this sample, approximately 56 percent worked 40 hours or more per week. Of that 56 percent, some 47 percent worked 40 hours per week with an additional 9 percent working beyond 40 hours.

On the average, the operators worked more hours per week off-farm (39 hours) than did the spouses (32 hours). However, the operators averaged about the same number of weeks of work per year off-farm (42 weeks) as did the spouses (41 weeks) in 1988.

To measure the extent of changes in farm operations from 1984 to 1988, operators were asked to indicate changes in acreage operated and in operator and family work on the farm. Table 7 reports the results.

Slightly more than one-half (52 percent) of the operators reported no change in the total acres operated between 1984 and 1988. But, almost 30 percent of all farm operators reported increasing the acreage of their operation. Of those changing acres operated, about three in five increased their acreage while two in five decreased their acreage.

There was less change in the hours worked on the farm than in acreage of operation. Some 60 percent of the operators reported no change in their own hours worked on the farm. For those operators reporting change in hours worked, about as many increased their work on the farm as decreased it.

Some 65 percent reported no change in the percent of family labor on the farm. Of the group reporting change in percent of family labor on the farm, about twice as many reported increases in family labor as reported decreases. Still, only 22 percent reported increases in family labor on farms while 30 percent of the farms increased in size of acreage.

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[3] "Full-time" is defined as 35 or more hours per week. U.S. Department of Labor, Employment and Earnings, June 1990, p. 121.

Risk Reduction Behavior

Farmers are challenged to deal with risk in farming. In this survey, the operators were asked to indicate what changes they had made to reduce risk in their operation during the past five years, and what changes they were planning to make in the next five years. Table 8 presents actions to reduce risk, ranked by the frequency of their use by the operators surveyed.

Some 23 actions to reduce risk were identified for consideration by the respondents (Table 8). They can be grouped into (a) those that enhance income in farming or from non-farm sources or improve efficiency, (b) those that cut costs or postpone expenditures, (c) those that transfer resources out of farming, and (d) other actions that minimize exposure to loss.

Enhancing income or improving efficiency to reduce risk in farming was a common strategy reported by most of the farm operators. Some 76 percent of the operators reported paying closer attention to marketing and some 63 percent reported keeping more complete financial records, reinforcing their marketing efforts. Nearly two-fifths of the operators reported seeking off-farm employment as a means of reducing risk in farming. (It should be remembered that a significant proportion of operators were already employed in off-farm employment). About one-sixth indicated they bought additional land or rented more acres, and some 13 percent indicated they had started a new non-farm business as a way of reducing risk in farming.

Decreasing expenses and postponing expenditures was another common strategy used by farm operators to reduce risk in farming. At the top of the actions was postponing major farm purchases (68 percent), followed closely by reducing long-term and short-term debt (62 percent and 55 percent respectively). Nearly one-half of the operators (49 percent) had shared labor or machinery with neighbors, and reduced expenditures for hired help (44 percent). More than one-fourth of the operators reported making reductions in machinery inventory and reducing the number of acres rented.

Closely aligned with the first two strategies were related actions to minimize possible losses. One-fourth of the operators reported that they diversified their farm by adding new crops, and nearly one-fourth reported diversification by raising some livestock. About one-fifth of the operators reduced farming risk by purchasing crop insurance, and one-eighth used the futures market to hedge prices.

Removing resources from farming was a strategy used by a small percentage of the operators. Some 10 percent of the operator's reported selling some land, seeking training for a new vocation, and retiring from farming. The operators and spouses who sought off-farm employment or increased the amount of current off-farm employment while engaged in operating a farm, also were reallocating human resources from farming.

There was considerable similarity between the actions operators used in the 1984 to 1988 period to reduce risk and those they planned to use in the years 1989 to 1993. This similarity

is evident in Table 8, which also shows the frequency with which operators responded with a "yes" or a "maybe" regarding use of actions to reduce risk of farming in the years ahead.

The magnitude of planned adjustments becomes more apparent (Table 8) when the planned adjustments represented by responses "yes" and "maybe" are combined. Among the most frequently planned or possible adjustments (60 to 75 percent of the operators) were paying closer attention to marketing and financial records, postponing major farm purchases, and short-term and long-term debt reduction.

Topping the next group of planned or possible adjustments (40 to 53 percent of the operators) were diversifying the farm by adding new crops, sharing labor and machinery with neighbors, reducing expenditures for hired help, and seeking off-farm employment--new or additional.

Among the remaining planned or possible adjustments (29 to 36 percent of the operators) were quitting farming and retiring from farming (34 and 29 percent respectively). Also in this group were purchasing crop insurance, reducing machinery inventory, and diversifying the farm by raising livestock. The percentages planning on quitting farming and retiring from farming, if they are not additive, are similar to the percentages of the spouses and operators in Table 4 who said that the likelihood that they would stay in farming in the next 5 years had gotten worse (about 30 percent).

Participation in Government Programs

The survey asked respondents whether they participated in government programs and the level of help the program offered. A list of the programs is found in Table 9 and the results are ranked by the percentage of operators that reported the program had been "a lot of help."

The two government programs that generated the highest participation and help to the farmers were the commodity programs and the 1988 Drought Assistance Act. More than two-thirds of the respondents participated in commodity programs and more than one-half of the respondents participated in the 1988 Drought Assistance Act. About 60 percent of the respondents reported commodity programs were some help or a lot of help. On the other hand, about 20 percent of the respondents reported they did not need it. Similarly, more than 50 percent of respondents reported that the 1988 Drought Assistance Act was some help or a lot of help, while almost 25 percent reported they did not need it.

The only human resource-oriented program that was reported to be of "some help" by more than 5 percent of the respondents was unemployment compensation. Given the high percentages of farmers who indicated a need for off-farm income supplementation, however, it is not unlikely that the category "not needed" was more of a proxy for a lack of familiarity with human resource programs as opposed to traditional farm programs.

The low use of financial disaster type programs such as Chapter 11 bankruptcy, Chapter 12 restructuring and farmer lender mediation services was probably due to the relatively low percentages of respondents incurring income losses in 1988.

Information and Training Needs

Opinions of farm operators about the information and training they needed constitute important inputs to organizations and institutions with educational and informational responsibilities. Extension services, as well as other outreach components of land-grant universities, can utilize such inputs in the planning and delivering of timely and effective programs. Other organizations assisting farm operators and families can use such inputs as well.

We observed from the results in Table 8 that about 70 percent of the operators planned to continue farming for another five years. To learn what information and training they might need to continue farming, the operators were asked to indicate their need for nine different information and training topics. Table 10 reports the responses by the farm operators, arranged by the percentage of the operators who stated the topic was a "very high need" in order to continue farming.

Well over one-half of the farm operators indicated they would need information and training about farming methods, technology and resource use to continue farming. These needs in order of importance were: (a) using new technologies, (b) reducing production costs through low-input farming, (c) using new machines and chemical inputs, and (d) using appropriate conservation techniques.

Close to one-half of the operators also indicated the need for information and training about marketing, government assistance and financial management. In order of need were: (a) marketing skills, (b) available government assistance, and (c) bookkeeping and financial systems.

Nearly one-half of the operators also reported the need for information or training about diversification of farm operations by adopting new crops and livestock. By contrast, only about one-fourth of the operators indicated the need for information about processing farm products on the farm before selling them.

Spouses' Involvement in Farm Operation

Labor assistance from farm spouses can be a key factor for continued farm operation. Spouses were asked if they performed various farm duties, and whether the time spent on the duty had changed over the last five years. Results reveal that spousal participation in the farming operation ran quite high (Table 11).

As one might expect, more than 90 percent of the spouses reported always doing household tasks and/or child care. Very high percentages also reported "always" or "sometimes" doing other farm tasks, such as taking care of vegetable gardens, bookkeeping and running errands. Even such activities as milking and caring for farm animals and doing field work were reported as being performed by more than 50 percent of the spouse respondents. The only task reported as never being performed by more than 50 percent of the spouses was the purchasing of major farm equipment and supplies.

In terms of areas of change in duties, working off-farm represented the most significant area of increase (29.8 percent). This result was consistent with the trend toward off-farm employment reported by the operators, too. Another significant area of increased activity was bookkeeping and maintaining records (23.6 percent). This area also represented the smallest percentage of decrease in activity (8.5 percent). It is not clear whether the increase in bookkeeping activity was a result of substituting the spouse's labor for someone else's, the growth of more complicated bookkeeping issues, or an effort to increase the productivity of the farm through better bookkeeping.

Another area with a relatively small decrease in activity was that of housework and/or child care (13.2 percent). This finding is somewhat surprising given the growth of off-farm employment and bookkeeping work. It appears that to the extent that spouses made time adjustments by reducing tasks, these decreases were primarily in traditional farm operation areas such as field work (33 percent); milking and caring for animals (31.6 percent); supervising farm work of others (24.9 percent) and running farm errands (22.8 percent). Also, about one-fourth of the respondents reduced the amount of time spent in caring for vegetable gardens and animals for family consumption.

Nevertheless, for all the farm duties specified, at least 50 percent of the respondents reported no change in the amount of time spent on the activity.

Family Decision-Making Behavior

According to the spouses surveyed, joint decision making was high for major household and farm purchases and operations (see Table 12). After excluding those for whom the decision never came up, at least one-third of the respondents reported joint decision making between the spouse and husband (or someone else); more than 75 percent of those spouses who bought or sold land or bought major appliances, made the decisions jointly with their husband (or someone else). Conversely, where a decision came up with respect to the timing of product marketing and trying a new agricultural product, in about 50 percent of the cases, only the husband or someone other than the spouse made the decision.

Pressures Experienced by Spouses

Spouses were asked how frequently they experienced various stressful situations. Table 13 shows the list of life pressures ranked by the "daily" pressure. About one-fourth of the spouses said that lacking control over weather and commodity prices were daily pressures, while 50 percent said they were occasional pressures.

While this area of pressure is somewhat unique to farming, the next highest area of pressure, balancing work and family responsibilities, is one faced by working women and men in many different occupations. More than 75 percent of the spouse respondents reported pressures on either a daily or occasional basis in their multiple family/work roles. Correspondingly, only 17.5 percent said this issue was almost never a life pressure and only 5.7 percent said it didn't apply.

Also interesting was the relatively high percentage (more than 50 percent of those who said the issue applied) of respondents who almost never felt that they were receiving insufficient support from their spouses in farm or family duties.

Only 10 percent of the respondents had children under the age of 10. It is not surprising then that about two-thirds of the spouses who indicated the question of child care applied to them almost never had difficulty making child care arrangements.

Somewhat surprising was the finding that more than 50 percent of the spouse respondents reported the issue of indebtedness and debt-servicing was almost never a life pressure or didn't apply to them.

Coping Strategies Used by Farm Spouses

Spouses were given a list of 18 coping strategies. Table 14 gives the results ranked by the strategy used "a great deal."

Of the five strategies used a great deal by about 19 to 15 percent of the spouses, all but one (participate in church activities) represented essentially a form of "self-talk" by which farming in particular was put in perspective with such notions as "not expecting too much from farming." Also, since only 7 percent of the respondents never used the self-talk of noticing people who were having more difficulties in life than they, it too represents a significant coping strategy.

On the other hand, the strategies least used by spouses were those involving discussion of their problems with others. For example:

- 89.2 percent reported never using a family counselor.
- 51.6 percent reported never talking to someone who could do something concrete about the problem.
- 58.6 percent reported not seeking spiritual support from clergy.

Moreover, only about 30 percent of the respondents sought support from friends or relatives and of those who did, only 7.6 percent used this strategy a great deal.

On the positive side, 65.2 percent of the spouses said that they did not engage in what can sometimes be unhealthy behavior such as smoking, drinking, drugs, or eating to make themselves feel better.

Participation in Farm and Local Organizations

Membership in farm and community organizations provide opportunities for the operator and spouse to affect the economic and social climate within which they function. Through such organizations, they can influence policies and programs, pricing and availability of inputs and products, and the quality and availability of various support systems. Table 15 reports operator and spouse membership in farm and community organizations.

The most frequent involvement of both spouses and operators was as members in such organizations as the Farm Bureau, National Farmers Organizations, Farm Wives groups and similar organizations. Some 46 percent of the spouses and 40 percent of the operators were members of such groups.

The next most frequent involvement of spouses and operators was as members of commodity producers' associations, such as the dairy associations, fruit and vegetable associations and other commodity groups, and as members of marketing cooperatives or farm supply cooperatives.

A number of spouses and operators were members of local governing boards, such as school boards or town councils. In these instances as well as others mentioned above, the frequency of membership by spouses and operators was similar, with spouses consistently showing a greater percentage of membership.

Both spouses and operators reported little involvement in political action groups such as the National Save the Family Farm Coalition. Further, spouses reported almost no involvement in women's branches of general farm organizations, commodity organizations, or others units targeted specifically at women members.

Summary

Clearly, both operators and spouses made major adjustments to conditions in farming that confronted them. We have analyzed these responses as they appear in each of the tables. Such an analysis, however, often masks important implications of the results interviewed as a whole. What follows are a few of our concerns over the various adjustments previously made and those planned or considered for the future.

We observed in Table 6 that 52 percent of the operators and 49 percent of the spouses worked off-farm. The large majority of those who worked off-farm worked full-time off-farm. In addition, in Table 8 we observed that up to 40 percent of the operators were planning to seek (additional) off-farm employment.

Balanced against these likely reductions in labor available for farming operations were plans by operators to pay greater attention to marketing, keep more complete financial records, share labor and machinery with neighbors, reduce expenditures for hired help, and diversify by adding new crops or livestock.

Recognize also that 30 percent of the operators had increased their acreage operated in the past five years. More than one-fourth planned to buy more land and one-fourth planned to rent more land in the five years ahead.

Many of these adjustments imply an enormous increase in time required by the operator and spouse. Where is this time going to come from?

The mosaic that emerges is a very complex one, with a variety of simultaneous adjustments not all of which are consistent and some of which appear stress producing for operator, spouse and family. It appears likely that at least some of the short-term adjustments being made are setting preconditions for long-term personal problems.

Table 1. Comparison of respondents' personal characteristics to personal characteristics of total farm population in Michigan

Personal characteristics	Sample of operators	Sample of spouses	Farm population[a]
Average age, years	52.7	50.5	50.9
		Percent	
Under 25	0.4	0.9	1.6
25-34	9.5	11.5	12.1
35-44	19.8	20.0	21.7
45-49	12.6	15.7	12.0
50-54	13.4	12.3	11.3
55-59	11.5	14.9	11.6
60-64	10.7	9.8	11.0
65-69	9.9	7.2	8.5
70 +	12.2	7.7	10.1
Average years of education	12.4	12.7	N/A
		Percent	
1-8	12.2	6.4	N/A
9-12	54.4	60.2	N/A
13-16	26.7	26.3	N/A
17 +	6.7	7.2	N/A
Net family income		Percent	
Loss		8.5	N/A
$1-$9,999		12.8	N/A
$10,000-$19,999		23.3	N/A
$20,000-$29,999		20.5	N/A
$30,000-$39,999		14.7	N/A
$40,000-$49,999		10.1	N/A
$50,000-$59,999		3.9	N/A
$60,000-$69,999		3.1	N/A
Over $70,000		3.1	N/A

[a] Michigan State 1987 Census of Agriculture, Advance State Report

Table 2. Comparison of respondents' farm characteristics to farm characteristics of total farm population in Michigan

Farm characteristics	Sample of operators	Michigan farm operators population*
Average farm size, acres	248	202
	Percent	
1 to 9	0.3	5.6
10 to 49	15.4	23.8
50 to 179	36.1	38.7
180 to 499	32.7	22.1
500 to 999	12.0	7.2
1,000 +	3.8	2.6
Gross farm sales	Percent	
Less than $10,000	34.1	52.8
$10,000 to $39,999	29.1	23.4
$40,000 to $99,999	18.6	11.3
$100,000 to $249,999	12.0	8.5
$250,000 to $499,999	3.9	2.9
$500,000 or more	2.3	1.1

* Michigan State 1987 Census of Agriculture, Advance State Report

Table 3. Farm operators' opinions on changes in local services, facilities and economic conditions

Category	Improved	Remained the same	Gotten worse	Uncertain	Not available	Number of respondents
			Percent			
Shopping facilities	65.4	27.1	7.1	0.4	0.0	266
Adult education opportunities	39.0	51.1	3.7	5.5	0.7	272
Banking services	34.2	52.9	12.9	0.0	0.0	272
Health care services	28.0	48.7	21.4	1.5	0.4	271
Opportunities for entertainment and recreation	26.1	56.6	11.0	4.4	1.8	272
Police and fire protection	26.1	62.9	9.6	1.1	0.4	272
Job opportunities	25.7	34.9	33.8	4.8	0.7	272
Child care facilities	17.4	46.2	3.0	26.9	6.4	264
Farm's financial condition	15.7	42.7	39.1	1.5	1.1	276
Quality of schools	14.5	59.1	22.3	3.3	0.7	269
Current financial condition of area lenders	10.4	48.9	23.9	14.2	2.6	268
Current financial condition of area agribusiness firms	8.1	27.3	55.4	8.1	1.1	271
Current financial condition of farmers	6.7	19.3	69.6	3.7	0.7	270

Table 4. Farm operator and spouse opinions on quality of life in their communities

Opinions	Become better		Remained the same		Become worse	
	Op	Sp	Op	Sp	Op	Sp
			Percent			
Your family finances in past 5 years	37.7	37.0	29.3	27.3	32.0	36.4
Quality of life for your family in past 5 years	35.7	31.6	44.7	47.8	19.6	20.2
Overall economic condition of farmers in next 5 years	24.5	16.9	29.6	39.3	46.0	43.7
Likelihood you will continue to farm for at least the next 5 years	16.7	8.9	54.4	61.2	28.9	30.0
Your financial situation compared to farmers in your area	26.9	23.3	54.7	59.6	15.4	17.0
Your satisfaction with farming	15.8	7.0	51.1	56.8	33.1	36.3
"Neighboring" over the past 5 years	14.3	12.6	60.7	60.4	25.0	26.9
Neighbors helping each other over the past 5 years	15.4	10.1	56.3	62.0	28.4	27.9
Things you have in common with people in your community	13.5	8.6	70.1	76.8	16.5	14.6

Op = Operator (N=270-276)
Sp = Spouse (N=223-233)

Table 5. Farm family adjustments reported by operator as made in 1985-1989 because of financial need

Adjustments	Yes	No	Number of respondents
	Percent		
Postponed major household purchase(s)	55.1	44.5	274
Used savings to meet living expenses	53.1	46.9	275
Cut back on charitable contributions	46.0	54.0	276
Took off-farm employment	41.6	58.4	269
Reduced household utility use, such as electricity, telephone	39.9	60.1	273
Changed food shopping or eating habits to save money	39.8	60.2	274
Changed transportation patterns to save money	39.6	60.4	273
Spouse took off-farm employment	36.5	63.5	260
Postponed medical or dental care to save money	35.1	64.9	276
Decreased money saved for children's education	28.2	71.8	255
Purchased more items on credit	27.9	72.1	276
Sold possessions or cashed in insurance	25.5	74.5	274
Borrowed money from relatives or friends	22.6	77.4	274
Fell behind in paying bills	19.9	80.1	276
Let life insurance lapse	16.5	83.5	273
Canceled or reduced medical insurance coverage	15.7	84.3	274
Postponed children's education	6.4	93.6	251

Table 6. Off-farm employment of operator and spouse in 1988

	Operator		Spouse	
Hours per week	Number	Percent	Number	Percent
1-9	7	5.0	15	13.4
10-19	7	5.0	16	14.3
20-29	10	7.2	9	8.0
30-39	2	1.4	9	8.0
40 +	113	81.4	63	56.3
Average hours per week	39		32.1	
Number of respondents	139		112	

Table 7. Changes in farm operation reported by farm operator--1984 and 1988

Changes	Increased	No change	Decreased
		Percent	
Acres owned	17.2	75.6	7.2
Acres rented	21.2	65.9	12.9
Total acres operated	29.1	52.3	18.6
Operator hours worked on farm	18.6	59.9	21.5
Percent family labor on farm	22.2	65.2	12.5

Table 8. Farm operators' report of risk reduction behaviors for 1984-1988 and behaviors planned for 1989-1993

Adjustments	Changes made 1984-1988		Changes planned 1989-1993		
	Yes	Number of respondents	Yes	Maybe	Number of respondents
	Percent		Percent		
Paid closer attention to marketing	75.7	268	65.9	8.9	246
Postponed major farm purchase	68.5	267	41.9	22.8	246
Kept more complete financial records	63.2	266	56.9	6.5	246
Reduced long-term debt	62.3	252	51.3	9.3	236
Reduced short-term debt	54.7	254	51.1	8.5	235
Shared labor or machinery with neighbors	48.9	270	39.0	12.0	249
Reduced expenditures for hired help	44.5	263	37.0	5.3	243
Sought off-farm employment	37.1	264	27.9	12.1	247
Reduced machinery inventory	28.0	268	20.1	10.4	249
Rented fewer acres	25.8	264	16.8	9.4	244
Diversified farm by adding new crops	25.4	268	21.5	31.7	246
Diversified farm by raising livestock	23.7	262	16.9	12.4	242
Bought crop insurance	20.3	266	21.1	15.4	247
Bought additional land	15.6	270	9.6	16.4	250
Rented more acres	15.5	264	11.8	11.8	245
Started a new business (not farming)	13.0	269	12.0	13.7	249
Used futures markets to hedge prices	12.5	263	13.1	14.7	245
Sold some land	12.0	267	10.4	7.6	249
Retired from farming	11.3	266	11.2	17.7	249
Sought training for new vocation	9.4	265	9.8	9.3	246
Quit farming	8.0	261	9.5	24.5	253
Changed from cash rent to crop share	7.7	260	6.6	4.5	243
Transferred land back to lender	1.9	265	0.0	3.6	247

Table 9. Farm operators' report of participation in government programs and their opinions on how helpful the programs were

Programs and laws	Participated			Did not participate				Number of respondents
	No help	Some help	A lot of help	Not needed	Did not qualify	Not available	Did not know about	
	Percent			Percent				
Federal government commodity programs (Feed Grain, Dairy Support)	6.5	40.9	19.6	21.3	9.1	0.9	1.7	230
1988 Drought Assistance Act	6.2	36.4	15.1	24.9	13.3	0.4	3.6	225
Loans from FmHA	8.0	6.1	5.2	63.4	10.8	2.8	3.8	213
Conservation Reserve Program (CRP)	7.3	16.1	5.0	49.1	14.2	1.4	6.9	218
Unemployment benefits	5.0	6.8	3.2	68.8	11.8	0.5	4.1	221
Federal All-Risk Crop Insurance	9.5	9.1	1.8	58.2	6.4	3.6	11.4	220
Financial analysis or counseling by extension service	5.7	5.7	1.8	75.3	0.9	0.9	9.7	227
Fuel assistance	4.5	8.6	1.8	71.0	8.1	0.0	5.9	221
Vocational retraining/ education program for self or family member	6.8	3.2	0.9	78.2	0.9	0.5	9.5	220
Job Partnership Training Act or other off-farm job search assistance program	7.3	1.4	0.9	79.9	0.5	0.9	9.1	219
Chapter 11 bankruptcy (debt reorganization)	6.0	0.5	0.5	90.4	1.4	0.0	1.4	218
Income assistance (AFDC, SSI)	5.8	3.6	0.4	70.0	10.8	0.9	8.5	223
Mental health counseling for yourself or family member	7.2	3.1	0.4	82.5	0.0	0.9	5.8	223
Chapter 12 (debt restructuring for farmers)	6.8	0.0	0.0	89.5	1.4	0.0	2.3	219
Food stamps	6.3	0.9	0.0	82.0	6.3	0.9	3.6	222
Farmer/lender mediation service	9.5	1.9	0.0	73.3	4.8	1.4	9.0	210

a Less than 1 percent
b No response

Table 10. Farmers' opinions on their information and training needs to continue farming in the next five years

Category	Need					Number of respondents
	None	Low	Moderate	High	Very high	
	Percent					
Reducing production costs through low-input farming methods	19.7	18.5	28.7	22.8	10.2	254
Using new technologies as they become available	17.1	18.3	33.7	23.8	7.1	252
Marketing skills	28.2	9.4	34.5	21.2	6.7	255
Available government assistance	36.0	15.4	30.0	12.6	5.9	253
Bookkeeping and financial systems	39.7	19.0	25.4	10.3	5.6	252
Using new machines and chemical inputs to increase production	20.3	21.1	34.4	19.1	5.1	256
Diversifying farm operation by adopting new crops and livestock	39.1	14.2	28.5	14.2	4.0	253
Using appropriate conservation techniques	26.9	19.4	36.8	13.4	3.6	253
Processing farm products on farm before selling	50.0	23.2	16.1	6.7	3.9	254

Table 11. Farm spouses' report on types of farm duties and changes in the amount of time spent on these duties

Duties	Perform these duties					Time spent on these duties			
	Always	Sometimes	Never	Not done	Number of respondents	Increased	Stayed the same	Decreased	Number of respondents
	Percent					Percent			
Household tasks and/or child care	90.9	7.3	0.0	1.7	232	15.5	71.2	13.2	219
Took care of a vegetable garden or animals for family consumption	48.6	35.4	6.8	9.3	237	9.2	65.0	25.7	206
Bookkeeping and maintained records	47.9	25.4	19.9	6.8	236	23.6	67.8	8.5	199
Worked at an off-farm job	31.9	31.0	22.0	15.1	232	29.8	50.3	19.9	191
Ran farm errands	25.9	63.4	5.2	5.6	232	13.6	63.7	22.8	215
Milked or cared for farm animals	20.3	33.0	21.1	25.6	227	13.2	55.2	31.6	174
Field work	12.6	53.9	22.2	11.3	230	13.6	53.4	33.0	206
Marketed farm products through wholesale buyers or directly to consumers	12.1	21.2	44.2	22.5	231	9.0	71.3	19.7	178
Supervised the farm work of others	9.6	37.4	36.1	17.0	230	8.8	66.3	24.9	181
Purchased major farm supplies and equipment	5.6	21.1	54.7	18.5	232	1.8	82.4	15.9	170

Table 12. Farm spouses' opinions on family decision-making behavior

Decisions	Usually me	My husband or someone else	My husband and I or someone else	Decision has never come up	Number of respondents
			Percent		
Buy major household appliances	12.4	6.0	81.1	0.4	233
Buy or sell land	0.9	15.2	59.7	24.2	231
Buy major farm equipment	1.7	44.1	45.9	8.9	229
Determine when to sell agricultural products	0.3	47.0	38.8	11.2	232
Rent more or less land	0.9	28.3	33.6	37.2	226
Produce a crop or livestock	0.9	44.5	33.6	21.0	229
Try a new agricultural practice	1.8	50.9	29.8	17.5	228

Table 13. Farm spouses' report on frequency of life pressures

Pressures	Almost never	Occasionally	Daily	Does not apply	Number of respondents
			Percent		
Lacking control over weather and commodity prices	13.9	51.3	26.1	8.7	230
Problems in balancing work and family responsibilities	17.5	53.1	23.7	5.7	228
Indebtedness and debt-servicing problems	32.9	31.6	14.9	20.6	228
Conflict with spouse	36.1	48.9	9.0	6.0	233
Adjusting to new government policies	25.3	51.5	6.1	17.0	229
Insufficient support from spouse in farm or family duties	47.6	32.9	6.1	13.4	231
No farm help or loss of help when needed	27.6	47.4	5.6	19.4	232
Conflict with children	29.7	46.3	5.2	18.8	229
Difficulty with child care arrangements	24.6	12.9	0.9	61.6	224

Table 14. Coping strategies used by farm spouses

Coping strategies	Use a great deal	Use quite a bit	Use somewhat	Never use	Number of respondents
			Percent		
Don't expect to get much income from farming	25.3	19.0	34.8	20.8	221
Participate in church activities	24.8	16.2	32.1	26.9	234
Tell myself that success in farming is not the only important thing in life	20.8	25.2	33.6	20.4	226
Remind myself that for everything bad about farming, there is also something good	19.4	25.1	42.7	12.8	227
Put up with a lot as long as I make a living from farming	18.8	24.7	26.0	30.5	223
Make a plan of action and follow it	16.1	28.1	39.3	16.5	224
Wish that the situation would go away or somehow be over with	14.9	20.3	33.8	31.1	222
Try to keep my feelings to myself	14.8	26.0	42.2	17.0	223
Go on as if nothing is happening	13.5	24.3	33.8	28.4	222
Notice people who have more difficulties in life than I do	11.0	33.8	48.2	7.0	228
Become more involved in activities outside the farm	9.6	21.3	50.0	19.1	230
Keep problems secret from others	9.0	13.5	44.8	32.7	223
Seek support from friends and/or relatives	7.6	13.3	47.6	31.6	225
Seek spiritual support from minister, priest or other	7.5	8.4	25.6	58.6	227
Refuse to think about it	6.7	10.3	46.2	36.8	223
Try to make myself feel better by eating, drinking, smoking, using medication, etc.	5.3	6.6	22.9	65.2	227
Talk to someone who can do something concrete about the problem	4.5	8.1	35.7	51.6	221
Talk to a family counselor or other mental health professional	1.4	1.4	8.1	89.2	222

Table 15. Operator and farm spouse membership in farm and local organizations

Organizations/activities	Spouse				Operator			
	Member	Former member	Never member	Number of respondents	Member	Former member	Never member	Number of respondents
	Percent				Percent			
Any organization, such as National Farmers Organizations, Grange, Farm Bureau, National Farmers Union, Young Farmers and Farm Wives	45.5	15.0	39.5	220	39.9	13.2	46.9	228
Any women's branches of general farm organizations, such as Farm Bureau Women	2.2	1.6	96.2	183	4.4	6.2	89.3	225
Any commodity producers' associations, such as the American Dairy Association or National Wheat Producers Association	22.9	5.7	71.4	210	14.0	3.2	82.8	221
Any women's branches of commodity organizations, such as the Cattlewomen or the Wheathearts	1.0	0.0	99.0	193	1.3	0.0	98.7	223
Women's farm organizations, such as Women for Agriculture, American Agri-Women, or Women Involved in Farm Economics	0.5	0.0	99.5	190	0.9	1.3	97.8	225
Farm political action groups, such as a state Family Farm Movement or National Save the Family Farm Coalition	2.0	0.0	98.0	204	0.4	0.4	99.1	226
Local governing board, such as school board or town council	12.0	12.0	76.1	209	8.0	4.5	87.5	224
Marketing cooperative	17.2	4.8	78.0	209	10.3	1.3	88.4	224
Farm supply cooperative	21.2	4.3	74.5	208	10.4	2.3	87.6	221

a Less than 1 percent
b No response

NORTH CENTRAL REGION
FARM FAMILY WELL BEING SURVEY
MICHIGAN RESPONSES

Upper number = Farm Operators
Lower number = Farm Spouses
State Total: 331 Operators
319 Spouses

Figure 1

Appendix Table A.1 Off-farm employment of operator and spouse in 1988

	Operator		Spouse	
Hours per week	**Number**	**Percent**	**Number**	**Percent**
1-10	7	5.0	15	13.4
11-20	7	5.0	16	14.3
21-30	10	7.2	9	8.0
31-39	2	1.4	9	8.0
40	72	51.8	53	47.3
41-50	36	25.9	5	4.5
51-60	4	2.9	4	3.6
More than 60	1	0.7	1	0.9
Average hours per week	39	52.3	32.1	49.2
Off-farm employed respondents	139		112	

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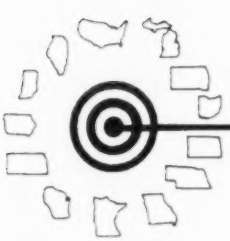

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